



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

**FEB - 1 2017**

Julian Dmitri Burger

Wilmington, California 90744

RE: MUR 6957  
Isadore Hall III, *et al.*

Dear Mr. Burger:

This is in reference to the complaint you filed with the Federal Election Commission on August 12, 2015, concerning Isadore Hall III, Inspiration and Hope for California Ballot Measure Committee controlled by Senator Isadore Hall and David L. Gould in his official capacity as treasurer ("IH for CA"), and Hall for Congress and David L. Gould in his official capacity as treasurer ("Federal Committee"). On November 15, 2016, the Commission found that there was reason to believe Isadore Hall III and IH for CA violated 52 U.S.C. § 30125(e)(1)(B), a provision of the Federal Election Campaign Act of 1971, as amended. On January 30, 2017, a conciliation agreement signed by the respondents was accepted by the Commission.

Also on November 15, 2016, the Commission was equally divided as to whether the Federal Committee violated the Act. A Statement of Reasons explaining the Commission's decision will follow.

Accordingly, the Commission closed the file in this matter on January 30, 2017. Documents related to the case will be placed on the public record within 30 days. See Statement of Policy, Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). A copy of the agreement with Hall and IH for CA is enclosed for your information.

Mr. Julian Dmitri Burger  
MUR 6957  
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If you have any questions, please contact me at (202) 694-1548.

Sincerely,

A handwritten signature in cursive script, appearing to read "Elena Paoli".

Elena Paoli  
Attorney

Enclosure  
Conciliation Agreement

170444006141

BEFORE THE FEDERAL ELECTION COMMISSION RECEIVED  
FEC MAIL CENTER

In the Matter of )  
Isadore Hall III )  
Inspiration and Hope (IH) for California )  
Ballot Measure Committee Controlled by )  
Senator Isadore Hall and David Gould )  
in his official capacity as treasurer )

MUR 6957

2016 DEC 23 AM 11:40

CONCILIATION AGREEMENT

This matter was generated by a complaint filed with the Federal Election Commission ("Commission"). The Commission found reason to believe that Isadore Hall III, and Inspiration and Hope (IH) for California Ballot Measure Committee Controlled by Senator Isadore Hall and David Gould in his official capacity as treasurer violated 52 U.S.C. § 30125(e) (collectively "Respondents").

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Isadore Hall III is a federal candidate within the meaning of 52 U.S.C. § 30101(2). Hall for Congress f/k/a Hall for Congress Exploratory Committee ("Federal Committee") is the principal campaign committee of Hall. David Gould is the treasurer of the Federal Committee.

2. Inspiration and Hope (IH) for California Ballot Measure Committee Controlled by Senator Isadore Hall ("Ballot Measure Committee") is a California political committee. David Gould is the treasurer of the Ballot Measure Committee.

3. On February 17, 2015, the Federal Committee accepted \$22,400 in contributions. The next day, February 18, 2015, Hall announced that he would be running for the U.S. House of Representatives for the 44<sup>th</sup> Congressional seat in California. Hall filed his Statement of Candidacy with the Commission on February 24, 2015, and designated the Federal Committee as his principal campaign committee on the same day.

4. Under the Federal Election Campaign Act of 1971, as amended (the "Act"), "an individual who seeks nomination for election, or election, to Federal office" is a candidate and "shall be deemed to seek nomination for election, or election" when he or she receives contributions or makes expenditures in excess of \$5,000. 52 U.S.C. § 30101(2). Once an individual meets the \$5,000 threshold, he or she has 15 days to designate a principal campaign committee by filing a Statement of Candidacy. 52 U.S.C. § 30102(e)(1); 11 C.F.R. § 101.1(a). The principal campaign committee must then file a Statement of Organization within 10 days of its designation, *see* 52 U.S.C. § 30103(a), and must file disclosure reports with the Commission in accordance with 52 U.S.C. §§ 30104(a) and (b).

5. Hall became a federal candidate on February 18, 2015, the day he announced he was running for federal office, and the day after the Federal Committee accepted more than \$5,000 in contributions.

6. The Act prohibits federal candidates, their agents, and entities established, financed, maintained, or controlled by federal candidates from soliciting, receiving, directing, transferring, or spending funds in connection with any election other than an election for Federal office unless the funds are in amounts and from sources permitted under the Act. 52 U.S.C.

§ 30125(e)(1)(B)(ii); 11 C.F.R. § 300.62. The Commission has concluded that all activities of a ballot measure committee that is directly or indirectly established, financed, maintained, or controlled by a federal candidate are "in connection with" any election other than an election for Federal office and, thus, subject to the Act's restrictions. The Act prohibits the making or receipt of direct contributions using corporate funds. 52 U.S.C. § 30118

7. On March 2, 2015, 12 days after Hall became a candidate, the Ballot Measure Committee, an entity controlled by Hall, accepted a \$4,100 contribution from Anheuser Busch Companies, Inc., a corporation.

V. Respondents Hall and the Ballot Measure Committee accepted a \$4,100 corporate contribution in violation of 52 U.S.C. § 30125(e)(1)(B). Respondents will cease and desist from violating 52 U.S.C. § 30125(e)(1)(B).

VI. 1. Respondents will pay a civil penalty to the Federal Election Commission in the amount of One Thousand Five Hundred dollars (\$1,500), pursuant to 52 U.S.C.

§ 30109(a)(5)(A).

2. The Ballot Measure Committee will refund the \$4,100 corporate contribution.

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any

requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

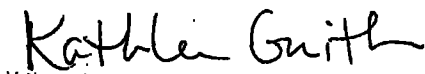
IX. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lisa J. Stevenson  
Acting General Counsel

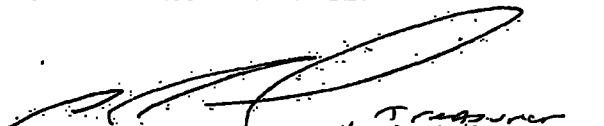
BY:



Kathleen Guith  
~~Acting~~ Associate General Counsel  
for Enforcement

1-31-17  
Date

FOR THE RESPONDENTS:



(Name)  
(Position)

12-20-2016  
Date